

## [DISCUSSION DRAFT]

117TH CONGRESS  
2D SESSION

**H. R.** \_\_\_\_\_

To amend title 38, United States Code, to provide for requirements relating to the approval and disapproval of courses of education for purposes of the educational assistance programs of the Department of Veterans Affairs, and for other purposes.

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### IN THE HOUSE OF REPRESENTATIVES

M\_\_\_\_ introduced the following bill; which was referred to the  
Committee on \_\_\_\_\_

\_\_\_\_\_

## A BILL

To amend title 38, United States Code, to provide for requirements relating to the approval and disapproval of courses of education for purposes of the educational assistance programs of the Department of Veterans Affairs, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the  
5 “\_\_\_\_\_ Act of 2022”.

1 **SEC. 2. APPROVAL REQUIREMENTS FOR ACCREDITED**  
2 **COURSES.**

3 Section 3675 of title 38, United States Code, is  
4 amended—

5 (1) in subsection (b), by adding at the end the  
6 following new paragraphs:

7 “(5) The educational institution spends on  
8 classroom instruction at least half of the amount of  
9 funds it collects as tuition, as determined by the  
10 Secretary of Education.

11 “(6) During the first five years after grad-  
12 uating from a course of education offered by the  
13 educational institution—

14 “(A) at least half the graduates of the edu-  
15 cational institution earned more than the me-  
16 dian salary for people in the State where they  
17 reside who never received any postsecondary  
18 training (as determined pursuant to the Amer-  
19 ican Community Survey data of the Census Bu-  
20 reau);

21 “(B) of the graduates who obtained stu-  
22 dent loans to pay for the course of education—

23 “(i) not more than 30 percent of such  
24 graduates were delinquent on their student  
25 loan payments; and

1 “(ii) not more than 20 percent of such  
2 graduates were in default on their student  
3 loan payments;

4 “(C) in the case of a course designed to  
5 prepare an individual for licensure or certifi-  
6 cation in a State, at least 75 percent of the in-  
7 dividuals who completed the course passed the  
8 relevant licensing examination for the occupa-  
9 tion.

10 “(7) The faculty members and instructors em-  
11 ployed by the institution to teach courses in a pro-  
12 gram of education—

13 “(A) meet the minimum qualifications gen-  
14 erally applicable to post-secondary instructors  
15 of comparable courses; and

16 “(B) hold a degree that is relevant to the  
17 course.

18 “(8) The educational institution ensures that  
19 each employee of the institution (including a con-  
20 tractor or agent) who provides information, advice,  
21 or opinions to prospective or enrolled student vet-  
22 erans regarding the decision to enroll at the institu-  
23 tion, or who otherwise provides opinions or advice  
24 regarding the expected financial, academic, or career  
25 outcomes for prospective or enrolled students, acts

1 as a fiduciary who is obligated to dispense advice in  
2 the best interest of the prospective or enrolled stu-  
3 dent.”.

4 (2) by adding at the end the following new sub-  
5 sections:

6 “(e) Each educational institution seeking approval  
7 for an accredited course of education under this chapter  
8 shall submit to the State approving agency, or the Sec-  
9 retary when acting in the role of a State approving agency,  
10 an annual report containing a certification of the informa-  
11 tion referred to in subsection (b)(6) and (7).

12 “(f) In this section, the term ‘fiduciary’ has the  
13 meaning given such term in section 7701 of the Internal  
14 Revenue Code of 1986.”.

15 **SEC. 3. APPROVAL REQUIREMENTS FOR NONACCREDITED**  
16 **COURSES.**

17 Section 3676 of such title is amended—

18 (1) in subsection (c)—

19 (A) by redesignating paragraph (16) as  
20 paragraph (20); and

21 (B) by inserting after paragraph (15) the  
22 following new paragraphs:

23 “(16) The institution spends on classroom in-  
24 struction at least half of the amount of funds it col-

1       lects as tuition, as determined by the Secretary of  
2       Education.

3           “(17) During the first five years after com-  
4       pleting the course of education for which the institu-  
5       tion seeks approval—

6           “(A) at least half the individuals who com-  
7       pleted the course earned more than the median  
8       salary for people in the State where they reside  
9       who never received any postsecondary training  
10      (as determined pursuant to the American Com-  
11      munity Survey data of the Census Bureau);

12          “(B) not more than 30 percent of such in-  
13      dividuals were delinquent on their student loan  
14      payments;

15          “(C) not more than 20 percent of such in-  
16      dividuals were in default on their student loan  
17      payments; and

18          “(D) in the case of a course designed to  
19      prepare an individual for licensure or certifi-  
20      cation in a State, at least 75 percent of the in-  
21      dividuals who completed the course passed the  
22      relevant licensing examination for the occupa-  
23      tion; and

24          “(18) The faculty members and instructors em-  
25      ployed by the institution to teach the course of edu-

1 cation for which the institution is seeking ap-  
2 proval—

3 “(A) have credentials that would qualify  
4 them for employment as faculty members or in-  
5 structors for a majority of other courses of edu-  
6 cation in the relevant field of study; and

7 “(B) hold the degree being pursued by the  
8 students enrolled in the course of education.

9 “(19) The institution ensures that each em-  
10 ployee of the institution (including a contractor or  
11 agent) who provides information, advice, or opinions  
12 to prospective or enrolled student veterans regarding  
13 the decision to enroll at the institution, or who oth-  
14 erwise provides opinions or advice regarding the ex-  
15 pected financial, academic, or career outcomes for  
16 prospective or enrolled students, acts as a fiduciary  
17 who is obligated to dispense advice in the best inter-  
18 est of the prospective or enrolled student.”; and

19 (2) by adding at the end the following new sub-  
20 sections:

21 “(g) Each educational institution seeking approval  
22 for a nonaccredited course of education under this chapter  
23 shall submit to the State approving agency, or the Sec-  
24 retary when acting in the role of a State approving agency,

1 an annual report containing a certification of the informa-  
2 tion referred to in subsection (c)(17) and (18).

3 “(h) In this section, the term ‘fiduciary’ has the  
4 meaning given such term in section 7701 of the Internal  
5 Revenue Code of 1986.”.

6 **SEC. 4. DISAPPROVAL OF COURSES OF EDUCATION.**

7 Section 3679 of title 38, United States Code, is  
8 amended by adding at the end the following new sub-  
9 section:

10 “(g) Notwithstanding any other provision of this  
11 chapter, a State approving agency, or the Secretary when  
12 acting in the role of the State approving agency, shall dis-  
13 approve a course of education provided by an educational  
14 institution—

15 “(1) that has received payments under the  
16 heightened cash monitoring level 2 payment method  
17 pursuant to section 487(c)(1)(B) of the Higher Edu-  
18 cation Act of 1965 (20 U.S.C. 1094) or has been re-  
19 quired to post a letter of credit to the Department  
20 of Education;

21 “(2) against which a government entity has  
22 brought an adverse action, including—

23 “(A) any punitive action taken by the At-  
24 torney General, the Federal Trade Commission,  
25 or any other Federal department or agency for

1 misconduct or misleading marketing practices  
2 that would violate the standards defined by the  
3 Secretary of Veterans Affairs;

4 “(B) any punitive action taken by a State  
5 against an educational institution;

6 “(C) the loss, or risk of loss, by an edu-  
7 cational institution of an accreditation from an  
8 accrediting agency or association, including no-  
9 tice of probation, suspension, an order to show  
10 cause relating to the educational institution’s  
11 academic policies and practices or to its finan-  
12 cial stability, or revocation of accreditation; or

13 “(D) the placement of an educational insti-  
14 tution on provisional certification status by the  
15 Secretary of Education; or

16 “(3) that the State approving agency, or the  
17 Secretary when acting in the role of the State ap-  
18 proving agency, determines has engaged in intimi-  
19 dating, threatening, coercing, or discriminating be-  
20 havior against any eligible veteran or eligible student  
21 for the purpose of interfering with any right or privi-  
22 lege of the eligible veteran or eligible student or be-  
23 cause the eligible veteran or eligible student has  
24 made a complaint, testified, assisted, or participated  
25 in any manner in an investigation, proceeding, or



1 hearing regarding the entitlement of the veteran or  
2 student to educational assistance under the laws ad-  
3 ministered by the Secretary.”.